

VZCZCXRO7372

PP RUEHAG RUEHAST RUEHDA RUEHDF RUEHFL RUEHIK RUEHKW RUEHLA RUEHLN  
RUEHLZ RUEHNP RUEHROV RUEHSK RUEHSR RUEHVK RUEHYG  
DE RUEHPOD #0024 0282124  
ZNR UUUUU ZZH  
P 282124Z JAN 09  
FM AMEMBASSY PODGORICA  
INFO RUEHC/SECSTATE WASHDC PRIORITY 1128  
RUEHZL/EUROPEAN POLITICAL COLLECTIVE  
RUCPDO/USDOC WASHDC PRIORITY 0001  
RUEHPOD/AMEMBASSY PODGORICA 1216

UNCLAS PODGORICA 000024

SENSITIVE  
SIPDIS

E.O. 12958: N/A

TAGS: [PGOV](#) [PREL](#) [EINV](#) [ECON](#) [ECIN](#) [WTRO](#) [MW](#)

SUBJECT: MONTENEGRO BLINDSIDED BY UKRAINIAN WTO MOVE

¶1. (SBU) SUMMARY: Ukraine's 11th hour request for bilateral negotiations as part of Montenegro's WTO accession process has thrown Montenegro's WTO negotiations team, led by Deputy Prime Minister Gordana Djurovic, for a loop. Having closed bilateral negotiations with the EU and the U.S., the GoM was confident that its long WTO accession process was nearing conclusion, and that Montenegro would be officially invited to join the WTO in early February. The GoM has reacted bitterly to the Ukrainian initiative because of its late arrival, and also because it could seriously complicate the GoM's hope of a public relations success in advance of pre-term parliamentary elections this spring. END SUMMARY.

¶2. (SBU) Montenegro has worked hard over the past four years to conclude bilateral and multilateral negotiations for accession to the WTO. The GoM's negotiating team, led by DPM Djurovic, concluded agreements with the EU in April 2008 and with the U.S. in early January. The road ahead seemed clear for Montenegro to receive an invitation to join the WTO at the next WTO General Council meeting on February 3.

¶3. (SBU) However, Ukraine asked to open bilateral negotiations - completely within their rights according to WTO regulations - in late December and sent the GoM scrambling to find any possible quick fix that would allow Montenegro to officially submit its membership candidacy (the last real step in the process, though procedurally their application package would still need to be approved by all current members) to the organization as the GoM had publicly announced.

¶4. (SBU) The surprise move by the Ukrainians has elicited a visceral, emotional reaction in GoM officials. The usually composed and professional Djurovic, unable to conceal her frustration, has made emotional statements to the press and has appealed repeatedly to European Union colleagues and to us to help find a solution that would avoid delaying accession.

¶5. (SBU) The DPM also has pointed out to us and to the press that a request to open bilateral negotiations at such a late hour is unprecedented. Djurovic also complained to us that despite repeated attempts to reach her Ukrainian counterpart, he has not returned calls and, in her opinion, does not want to speak with her.

¶6. (SBU) Nevertheless, the DPM and her team are now fully engaged in responding to the Ukraine's request. DPM Djurovic told us that she is concerned that negotiations with Ukraine

could be long, but is buoyed by the moral support the Montenegrin team has received from the U.S., Europeans, and WTO Secretariat. The Montenegrins have rolled up their sleeves and are currently working day and night to get a complete response as quickly as possible to Ukraine. As the timeframe for Montenegro to conclude these new negotiations is currently uncertain and the WTO General Council only meets a few times a year, the next potential date for Montenegrin accession is May.

Comment

-----  
[17](#). (SBU) Ukraine's initiative has effectively scuttled the GoM's plans for a quick conclusion to the accession process. The GoM understands that Ukraine is merely exercising its rights as a WTO member, but that has not diminished the Montenegrin side's resentment over the late date of the GoU request. The GOM has been flummoxed by Kyiv's move, given the generally good relations between the two countries and the relative paucity of trade between them. Compounding the GoM's frustration is the fact that DPM Djurovic and other GoM officials already had begun publicly predicting a February 2009 accession date last fall. The WTO "success story" was all but a sure thing and one that the government likely was hoping to point to during the upcoming election campaign (pre-term elections have been called for March 29).

MOORE